

**Amendment No. 2 to SB1505**

**Johnson**  
**Signature of Sponsor**

**AMEND Senate Bill No. 1505\***

**House Bill No. 1442**

by deleting SECTION 13 and substituting instead the following:

SECTION 13. Tennessee Code Annotated, Section 48-51-304(b), is amended by deleting “§ 48-51-303(a)(3)-(7), (17), (18), (22), (28), (30) and (31)” and substituting instead “§ 48-51-303(a)(3)-(7), (16), (20), (21), (25), (31), (33), (34)”.

**AND FURTHER AMEND** by deleting the language “(C)” in the directory language of SECTION 18 and substituting instead the language “(A)(iii)”.

**AND FURTHER AMEND** by deleting the language “The liability” from subdivision (6) in SECTION 19 and substituting instead the language “That the liability”.

**AND FURTHER AMEND** by deleting the language “48-52-302” in subdivision (d)(3) in SECTION 20 and substituting instead the language “48-58-302”.

**AND FURTHER AMEND** by deleting the language “other than election of directors” in subsection (c) in SECTION 23 and substituting instead the language “unless the charter, bylaws, or chapters 51-68 of this title require a greater number of affirmative votes”.

**AND FURTHER AMEND** by deleting the language “certificate representing the shares or on the information statement for shares without certificates” from subsection (g) in SECTION 28 and by substituting instead the language “document or documents representing the membership or the right to transfer the membership”.

**AND FURTHER AMEND** by deleting the language “shares” wherever it may appear in subsection (i) in SECTION 28 and by substituting instead the language “memberships”.

**AND FURTHER AMEND** by deleting the language “such membership” in subsection (i) in SECTION 28 and by substituting instead the language “such memberships”.

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**AND FURTHER AMEND** by deleting SECTION 32 and substituting instead the following:

SECTION 32. Tennessee Code Annotated, Section 48-58-101, is amended by adding the following new subsection:

(d) The charter of a public benefit corporation may authorize no less than three (3) individuals to exercise some or all of the powers which would otherwise be exercised by a board. If individuals are authorized to exercise powers pursuant to this subsection (d), any and all such individuals shall have the duties and responsibilities of the directors, and the directors shall be relieved from such duties and responsibilities; provided, however, if the charter of a public benefit corporation that is in existence and not administratively dissolved on July 1, 2014, contains a provision on or before July 1, 2014, that authorizes less than three (3) individuals or an entity or entities to exercise some or all of the powers that would otherwise be exercised by a board, that provision shall remain valid and effective until the first occurrence of one of the following:

(1) The provision is amended or modified to conform with this section;

(2) All individuals authorized to exercise powers of the board cease to serve in such a capacity; or

(3) The dissolution, resignation or removal of all of the entities authorized to exercise powers of the board.

**AND FURTHER AMEND** by deleting subsection (c) in SECTION 40 and substituting instead the following:

(c) A proceeding to enforce:

(1) The liability of a director under subsection (a) is barred unless it is commenced within two (2) years after the liability of such director has been finally adjudicated; and

(2) Contribution or recoupment under subsection (b) is barred unless it is commenced within one (1) year after the liability of the claimant has been finally adjudicated.

**AND FURTHER AMEND** by deleting the language "shares" in subdivision (1)(A) of § 48-58-701 in SECTION 55 and by substituting instead the language "memberships, voting rights".

**AND FURTHER AMEND** by deleting the language "(6)" in SECTION 60 and substituting instead the language ( ).

**AND FURTHER AMEND** by deleting subdivision (10) in SECTION 66 and redesignating existing subdivisions accordingly.

**AND FURTHER AMEND** by deleting the language "share" wherever it appears in subdivision (f)(2) and (3) in SECTION 69 and substituting the language "membership."

**AND FURTHER AMEND** by deleting the language "or shareholders" in subsection (f) of § 48-61-111 in SECTION 73 and by substituting instead the language "or members".

**AND FURTHER AMEND** by deleting "domestic for-profit" and substituting instead "domestic non-profit" from the first sentence in subsection (a) in § 48-61-118 in the amendatory language of SECTION 73.

**AND FURTHER AMEND** by deleting subdivision (4) in SECTION 80 and by substituting instead the following:

(4) The street address, including the zip code, of its principal office (and a mailing address such as a post office box if the United States postal service does not deliver to the principal office);

**AND FURTHER AMEND** by deleting subdivision (3) in SECTION 90 and substituting instead the following:

(3) The street address, including the zip code, of its principal office (and a mailing address such as a post office box if the United States postal service does not deliver to the principal office);

**AND FURTHER AMEND** by deleting SECTION 24 and redesignating existing sections accordingly.

**AND FURTHER AMEND** by adding the following new sections immediately preceding the effective date section:

SECTION . Tennessee Code Annotated, Section 48-69-122(a), is amended by deleting "48-58-304" and substituting instead "48-58-302".

SECTION . Tennessee Code Annotated, Section 48-101-806(a), is amended by deleting "48-58-304" and substituting instead "48-58-302".

SECTION . Tennessee Code Annotated, Section 48-101-705(a), is amended by deleting "48-58-304".

SECTION . Tennessee Code Annotated, Section 48-58-601(a), is amended by deleting the language "§ 48-58-302" and substituting instead the language "§§ 48-58-701 through 48-58-704,".